COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 26, 2008

APPLICATION OF

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VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUE-2008-00063

For approval and certification of Beaumeade-NIVO 230 kV Underground Transmission line and 230-34.5 kV NIVO Substation under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 et seq., and as a pilot project pursuant to HB 1319

ORDER NUNC PRO TUNC

On August 20, 2008, the State Corporation Commission ("Commission") entered an Order for Notice and Hearing ("Order") in this matter. Among other things, the Order directed Virginia Electric and Power Company (the "Company") to publish notice of its application seeking authorization to construct a double-circuit underground transmission line. At page 9 of the Order, the following text appears:

Comments may be submitted electronically, on or before August 11, 2008, by following the instructions available at the Commission's website: www.scc.virginia.gov/case.

This paragraph contains an incorrect date for submission of electronic comments on the Company's application; such comments shall be due January 26, 2009, not August 11, 2008.

Accordingly, IT IS ORDERED that the Order for Notice and Hearing, dated August 20, 2008, be amended to reflect the corrections noted herein.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lisa S. Booth, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219; Vishwa B. Link, McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond, Virginia 23219-4030; C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the

Attorney General, Division of Consumer Counsel, 900 East Main Street, Second Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Division of Energy Regulation.

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 20, 2008

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUE-2008-00063

For approval and certification of Beaumeade-NIVO 230 kV Underground Transmission line and 230-34.5 kV NIVO Substation under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 et seq., and as a pilot project pursuant to HB 1319

ORDER FOR NOTICE AND HEARING

On July 21, 2008, Virginia Electric and Power Company ("Dominion Virginia Power" or the "Company") filed with the State Corporation Commission ("Commission") an application for a certificate of public convenience and necessity to construct and operate a double-circuit 230 kV underground transmission line and an associated substation in Loudoun County, Virginia.

Prepared testimony, exhibits, copies of correspondence, and other material were attached to the application.

Dominion Virginia Power proposes to construct (a) a double-circuit 230 kV underground transmission line approximately 0.71 mile long from a proposed expansion of the Company's existing Beaumeade Substation to (b) a new 230-34.5 kV substation ("NIVO Substation") constructed on land owned by DuPont Fabros Technology, Inc. ("DuPont Fabros") (collectively, the "Project"). The proposed transmission line will be built primarily on a combination of existing Company right-of-way within the Washington & Old Dominion Railroad Regional Park ("W&OD Trail") and existing Virginia Department of Transportation ("VDOT") right-of-way along Smith Switch Road, south of Beaumeade Substation.

The Company indicates that it has received a request from DuPont Fabros to serve an additional 104 MVA of load at its Ashburn Corporate Center complex ("ACC Complex") of datacenters located at Smith Switch Road and Chilum Place in Ashburn, Virginia. The Company states that this large block of new load is best served by the construction of the proposed NIVO Substation rather than by construction of new distribution circuits originating from existing substations. A description of the proposed and alternate routes for the proposed transmission line appears in Ordering Paragraph (12) of this Order, and a sketch map of the routes may be found in Attachment V.A to the application.

The Company states that while it is feasible to construct the proposed transmission lines overhead, it proposes to construct the Beaumeade-NIVO 230 kV lines underground as a pilot project under HB 1319. Dominion Virginia Power asserts that the project will enhance and expand the Company's experience and familiarity with the construction, operation, and performance of XLPE technology, and the estimated additional cost of placing the proposed lines underground meets the requirements of HB 1319.

As provided by § 62.1-44.15:21 D 2 of the Code of Virginia ("Code"), the Commission and the State Water Control Board must consult on wetland impacts prior to the siting of electric utility facilities that require a certificate of public convenience and necessity. In accordance with the Department of Environmental Quality ("DEQ")-State Corporation Commission Memorandum of Agreement Regarding Consultation on Wetland Impacts (July 2003) (hereinafter, "Wetland Impacts Memorandum"), entered into pursuant to § 62.1-44.15:21 D 2 of the Code, DEQ, acting on behalf of the State Water Control Board, filed a letter dated June 10, 2008, advising that DEQ's Office of Wetlands and Water Protection ("OWWP") had reviewed

the transmission line project.¹ OWWP recommended the use of Dominion Virginia Power's alternate route because this alternative was likely to cross fewer wetlands. OWWP also provided that if the project qualifies for a Nationwide Permit 12 (NWP 12) from the U.S. Army Corps of Engineers ("Corps") and if the impacts to streams are less than 1500 linear feet, then no Virginia Water Protection ("VWP") permit is necessary. However, if (a) stream impacts exceed the thresholds outlined above, or (b) the project proposes to permanently impact more than one-half (1/2) acre of wetlands, or (c) the project does not qualify for a NWP 12 from the Corps, then a VWP permit will be required from DEQ.

In response to additional information provided by the Company, OWWP filed a supplemental letter on July 14, 2008.² OWWP continues to support the alternate route for the reason set forth in its June 10, 2008 response. In addition, OWWP reiterated its request that the Company conduct a wetland delineation, to be verified by the Corps.³

Section 56-46.1 of the Code provides for the Commission to receive and to consider reports on the proposed facilities from state environmental agencies. The Commission Staff has formally advised the DEQ of Dominion Virginia Power's filed application for the Project and requested the DEQ to coordinate an environmental review. DEQ has informed the Commission

¹ Letter from David L. Davis, Department of Environmental Quality, of June 10, 2008, to Wayne N. Smith, State Corporation Commission, filed in Case No. PUE-2008-00063, Doc. Con. Con. No. 400498.

² Letter from David L. Davis, Department of Environmental Quality, of July 14, 2008 to Wayne N. Smith, State Corporation Commission, filed in Case No. PUE-2008-00063, Doc. Con. Cen. No. 400499.

³ The letters from DEQ are contained in the application as Attachment 2.D.1 and 2.D.2 to the DEQ Supplement. The Company states it will follow DEQ's directive regarding wetlands delineation and will obtain any necessary permits prior to construction.

⁴ Letter from Frederick D. Ochsenhirt, State Corporation Commission of August 13, 2008, to Michael P. Murphy, Department of Environmental Quality, filed in Case No. PUE-2008-00063.

Staff that it would coordinate a review of the environmental impact of the proposed transmission line and provide a report to the Commission.

The Commission finds that, as provided by §§ 56-46.1, 56-265.2, and related provisions of the Code, this matter should be docketed and the Company should give notice of its application to interested persons and the public. The Commission further finds that, as required by § 62.1-44.15:21 D 2 of the Code, consultation on wetland impacts has concluded, and the DEQ has commenced its coordinated environmental review of the proposed transmission line. The Commission will therefore establish a procedural schedule for the filing of comments, notices of participation, and schedule a hearing on the application. We will also direct the Commission Staff to investigate the application and to file a report and exhibits on the results of its investigation.

Accordingly, IT IS ORDERED THAT:

- (1) As provided by §§ 56-46.1, 56-265.2, and other related provisions of Title 56 of the Code, this matter be docketed as Case No. PUE-2008-00063 and all associated papers be filed therein.
- (2) As provided by § 12.1-31 of the Code and the Commission's Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-120, Procedure before Hearing Examiners, a hearing examiner be appointed to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.
- (3) A public hearing on the application shall be held at 10:00 a.m. on January 26, 2009, in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Staff.

- (4) As provided by the Rules of Practice, 5 VAC 5-20-80 C, Public witnesses, written comments on the application may be filed, on or before January 26, 2009, by either of the following methods:
- A. Comments may be submitted in writing to Clerk, State Corporation

 Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

 Compact discs or any other form of electronic storage medium may not be filed with comments.

 All correspondence and comments shall refer to Case No. PUE-2008-00063. Or
- B. Comments may be submitted electronically by following the instructions available at the Commission's website: www.scc.virginia.gov/case.
- Commission Clerk, at the mailing address provided in Ordering Paragraph (4) A, an original and fifteen (15) copies of a notice of participation as a respondent as required by the Rules of Practice, 5 VAC 5-20-80 B, Participation as a respondent. A copy shall simultaneously be served on counsel to the Company, Lisa S. Booth, Esquire, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. The notice of participation shall be filed and served as required by the Rules of Practice, 5 VAC 5-20-140, Filing and service, and 5 VAC 5-20-150, Copies and format. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by the Rules of Practice, 5 VAC 5-20-30, Counsel.
- (6) Within five (5) business days of receipt of a notice of participation as a respondent as required by Ordering Paragraph (5), the Company shall serve upon the respondent a copy of this Order and a copy of the application and the Company's direct testimony and exhibits, unless these materials have already been provided to the respondent.

- (7) On or before November 17, 2008, each respondent may file with the Commission Clerk an original and fifteen (15) copies of the testimony and exhibits by which it expects to establish its case and serve a copy of the testimony and exhibits on the Company and all other parties in this case. Respondents shall comply with the Rules of Practice, 5 VAC 5-20-140, Filing and service, 5 VAC 5-20-150, Copies and format, and 5 VAC 5-20-240, Prepared testimony and exhibits.
- (8) As provided by the Rules of Practice, 5 VAC 5-20-80 D, Commission Staff shall participate in this proceeding and conduct an investigation of the Company's application. On or before December 8, 2008, the Staff shall file with the Commission Clerk the report and exhibits it intends to present at the hearing.
- (9) On or before December 22, 2008, the Company may file with the Commission Clerk an original and fifteen (15) copies of any rebuttal testimony and exhibits that it expects to offer and shall serve a copy on all parties and the Staff.
- (10) On or before September 22, 2008, Dominion Virginia Power shall serve a copy of this Order on the chairman of the board of supervisors of Loudoun County and the mayor of every city and town through which the proposed transmission line is to be built. Service shall be made by first-class mail or delivery to the customary place of business of the person served.
- (11) On or before September 22, 2008, the Company shall cause to be sent by first-class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (12) of this Order to all owners of property within both the proposed and alternate routes of the proposed line, as indicated on the map or sketch of the route filed with the Commission, which requirement shall be satisfied by mailing to such persons at such addresses as are indicated in the

land books maintained by the commissioner of revenue, director of finance, or treasurer of the county or municipality.

(12) On or before September 22, 2008, the Company shall publish twice in two (2) successive weeks the following notice and sketch map of the proposed and alternate routes appearing in Attachment V.A of the application, as display advertising (not classified) in a newspaper or newspapers of general circulation in Loudoun County.

NOTICE TO THE PUBLIC OF AN APPLICATION BY VIRGINIA ELECTRIC AND POWER COMPANY FOR APPROVAL OF A TRANSMISSION LINE AND SUBSTATION IN LOUDOUN COUNTY, VIRGINIA CASE NO. PUE-2008-00063

On July 21, 2008, Virginia Electric and Power Company ("Dominion Virginia Power" or "Company") filed with the State Corporation Commission ("Commission") an application for a certificate of public convenience and necessity to construct and operate a double-circuit 230 kV underground transmission line and an associated substation in Loudoun County, Virginia. Prepared testimony, exhibits, copies of correspondence, and other material were attached to the application.

Dominion Virginia Power proposes to construct: (a) a double-circuit 230 kV underground transmission line approximately 0.71 mile long from a proposed expansion of the Company's existing Beaumeade Substation to (b) a new 230-34.5 kV substation ("NIVO Substation") constructed on land owned by DuPont Fabros Technology, Inc. ("DuPont Fabros") (collectively, the "Project"). The proposed transmission line will be built primarily on a combination of existing Company right-of-way within the Washington & Old Dominion Railroad Regional Park ("W&OD Trail") and existing Virginia Department of Transportation ("VDOT") right-of-way along Smith Switch Road, south of Beaumeade Substation.

According to the Company, the purpose of the project is to serve additional load at a data center owned by DuPont Fabros in Ashburn, Virginia.

A description of the route for the proposed transmission line follows:

The Proposed Route begins at a proposed expansion of Beaumeade Substation. The route heads south, enters the W&OD Trail property and continues for approximately 0.20 mile to the intersection of the W&OD Trail with Smith Switch Road. The route then follows within the right-of-way of Smith Switch Road southward for approximately 0.33 mile until it turns east and enters the property located at 21362 Smith Switch Road, Ashburn, VA 20147 and the proposed NIVO Substation.

The total length of the Proposed Route is approximately 0.71 mile.

The Alternate Route begins at a proposed expansion of the Beaumeade Substation. The Alternate Route crosses the W&OD Trail property and then enters the property located at 44590 Guilford Drive, Ashburn, VA 20147 and continues for approximately 0.24 mile. The Alternate Route then enters onto the property located at 21362 Smith Switch Road, Ashburn, VA 20147 and the proposed NIVO Substation.

The total length of the Alternate Route is approximately 0.33 mile.

All distances and directions are approximate. A sketch map of the proposed and alternate routes accompanies this notice. The Commission may consider a route not significantly different from the route described in this notice without additional notice to the public.

The Company's application, Commission Orders, and all documents filed in Case No. PUE-2008-00063 may be inspected in the Commission's Document Control Center, Office of the Clerk of the Commission, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, during Commission business hours. The application, unofficial text of the Commission's Orders, and other materials in Case No. PUE-2008-00063 may be viewed at the Commission's website: www.scc.virginia.gov/case.

Copies of the application and other supporting materials may also be inspected during regular business hours at the following locations:

Dominion Virginia Power Riverside Building, 5th Floor 120 Tredegar Street. Richmond, Virginia 23219 Attn: Courtney R. Fisher

Loudoun County Government Building
1 Harrison Street, S.E. - 5th Floor
Leesburg, Virginia 20175
Attention: Mr. Kirby M. Bowers, County Administrator

Comments may be submitted in writing, on or before January 26, 2009, to the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Diskettes, compact disks, or any other form of electronic storage medium may not be filed with comments. All correspondence shall refer to Case No. PUE-2008-00063.

<u>OR</u>

Comments may be submitted electronically, on or before August 11, 2008, by following the instructions available at the Commission's website: www.scc.virginia.gov/case.

Persons commenting electronically need not file comments in writing with the Clerk.

A public hearing on the application shall be held at 10:00 a.m. on January 26, 2009, in the Commissions Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Staff.

On or before October 24, 2008, any person or entity may file with the Commission Clerk, at the mailing address provided in Ordering Paragraph (4) A, an original and fifteen (15) copies of a notice of participation as a respondent as required by the Commission's Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-80 B, Participation as a respondent. A copy shall simultaneously be served on counsel to the Company, Lisa S. Booth, Esquire, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. The notice of participation shall be filed and served as required by the Rules of Practice, 5 VAC 5-20-140, Filing and service, and 5 VAC 5-20-150, Copies and format. Any organization, corporation, or government body participating as a respondent must be represented

by counsel as required by the Rules of Practice, 5 VAC 5-20-30, Counsel.

On or before November 17, 2008, each respondent may file with the Commission Clerk an original and fifteen (15) copies of the testimony and exhibits by which it expects to establish its case and serve a copy of the testimony and exhibits on all other parties in this case. Respondents shall comply with the Rules of Practice, 5 VAC 5-20-140, Filing and service, 5 VAC 5-20-150, Copies and format, and 5 VAC 5-20-240, Prepared testimony and exhibits.

The Commission's Rules of Practice, the unofficial version of the Commission's Order for Notice and Hearing, and other information may be viewed at www.scc.virginia.gov/case.

VIRGINIA ELECTRIC AND POWER COMPANY

- (13) On or before September 29, 2008, the Company shall file with the Commission Clerk a certificate of the mailing of notice prescribed by Ordering Paragraph (10). The certificate shall include the name and address of the officials served.
- (14) On or before September 29, 2008, Dominion Virginia Power shall file with the Commission Clerk a certificate of mailing of the notice to owners of property prescribed by Ordering Paragraph (11). The certificate shall not include the names and addresses of the owners of property served, but the Company shall maintain a record of this information.
- (15) On or before September 29, 2008, Dominion Virginia Power shall file with the Commission Clerk proof of the newspaper publication directed by Ordering Paragraph (12).
- (16) Dominion Virginia Power shall respond to written interrogatories or data requests within ten (10) business days after receipt of same. Except as modified, discovery shall be in accordance with the Rules of Practice.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lisa S. Booth, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219; Vishwa B. Link, McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond,

Virginia 23219-4030; C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 900 East Main Street, Second Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Division of Energy Regulation.